Attorney Docket No.: SDG 004.02

## **REMARKS**

The present remarks are in response to the Office Action dated April 30, 2007, in which the Office Action issued a rejection of claims 1-37. In this response, Applicant has addressed the objection regarding the length of the Abstract, amended the claims, responds to the present Office Action with detailed comments to overcome the rejections, and respectfully requests that the pending claims be placed in a state of allowance. No new matter has been added.

## A. Anticipation Rejection (35 U.S.C. § 102)

The Examiner has rejected claims 1-7, 10, 14-18, 20-25, 28 and 32-36 under 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 4,614,342 to Takashima (hereinafter referred to as "Takashima"). We submit, however, that Takashima does not teach, describe, or suggest the features of claims 1-7, 10, 14-18, 20-25, 28 and 32-36.

As newly amended, claim 1 recites a method for playing a twenty-one game using a deck of playing cards, which includes providing a plurality of playing squares configured to receive a plurality of playing cards from the deck; performing a plurality of game events where each game event comprises drawing one or more playing cards from the deck and transferring each of the playing cards to the playing squares; performing chargeable actions where each chargeable action comprises charging the player at least one credit for drawing the playing cards from the deck and transferring the playing cards to the playing squares; and awarding the player

one or more prizes according to a dynamic paytable, which is modified during the game session.

Takashima discloses an electronic game machine system which includes a single dealer machine 2 and a plurality of player machines 4. In order to operate and start the game, some coins are placed in the coin inlet of the player machines and a player data processor 30 processes the game start operation. Then, a credit data appears in the player's monitor (player display 20) and this data is forwarded to the dealer machine 2, where the dealer processor 6 permits its memory the store the data and output it in the dealer's monitor (dealer display 10). Thereafter, to perform a betting operation, the "BET" key is pressed and sent to the player data processor 30. thus storing the bet amount in the memory as a "BET." This "BET" is displayed in the player display 20 as shown in FIG. 4(b). Then, once the "BET" keys of the player machines have been pressed by a player, the dealer data processor 6 of the dealer machine 2 reads out the card data from the program memory 8a to subsequently output data from the dealer machine 2 and the respective player machines 4. The dealer data processor 6 repeats this operation twice. Accordingly, the card data corresponding to two cards are dealt to the dealer machine 2 and the respective player machines 4. Each time the dealer data processor 6 inputs the card data to the respective player data processors 30, the processors 30 permit the work memory 32b to store the card data and output the data to the player displays 20. The respective player displays 20 display two cards face up at the left half thereof as shown in FIG. 1(b). (Takashima, col. 4, lines 19-45).

In other words, once a player is ready to bet or wager his credits (e.g., coins), the dealer's processor reads out the cards from a memory and this is done only

twice so that only two cards are read, as indicated in FIG. 4(a) where one card is shown as a 3 of Spades and one is faced down. These cards are displayed one by one and read out from the memory. This is entirely different from what is recited in Applicant's claims. In Applicant's claim 1, for instance, a plurality of playing squares are recited (see all the independent claims and FIG. 7, 304a-304e in Applicant's Specification), which are configured to receive a plurality of cards from a deck of playing cards. Simply put, Takashima shows no deck of playing cards. In fact, in the passages identified above, including col. 6, lines 37-51, Takashima describes that the process by which new cards are read is from a card data stored in memory, whereas Applicant's claims recite a deck of playing cards.

Furthermore, Takashima's scheme is arranged so that once the card data stored in the memory 8b exceeds 17 for the dealer, the dealer data processor 6 stops reading out the card data from the program memory 8a, so that it transfers the sum data to the respective player machines 4. Then, the player data processors 30 start to settle the bets, which signifies the end of the game. However, Applicant's claims recite a distinct step of awarding a player according to a dynamic paytable, which is wholly distinct from what is disclosed in Takashima.

Therefore, even if we were to assume, *arguendo*, that FIGs. 4(a) and 4(b) shown in Takashima imply a deck of playing cards, which Applicant denies, <u>Takashima fails to teach, describe, or suggest any dynamic paytable that is modified dynamically during a game session</u>. A dynamic paytable indicates the possible prizes that may be awarded to the player and is modified during the game session, i.e., the paytable is modified as a function of several variables that include the type of twenty-one combination, the number of dealt cards, the number of credits played

for each chargeable action, and the remaining number of playing cards (e.g., such as the dynamic paytable 260 in FIG. 7 as well as FIG. 6, as shown in Applicant's Specification). As further illustrated in FIG. 5 of Applicant's Specification, in the flowchart of FIG. 4, which describes the method of playing the interactive game of twenty-one, at block 219, the paytable is evaluated to determine the prize that is awarded the player, and then proceeds to a triggering event (which occurs each time there is a winning card combination for the player) that starts or increments the game history counters. The game history counters track the number of winning card combinations that are obtained during the game session. And then at block 222, the dynamic paytable modification process is initiated where a threshold event is configured to use the game history counters to modify a subsequent prize associated with a subsequent triggering event.

Takashima, at best, describes only a CREDIT, a BET, and a HAND display in the player's monitor or display 20, as illustrated in FIG 4(b). However, no dynamic paytables of any kind are described or suggested. The Office Action identifies a passage in Takashima's col. 2, lines 23-27, as describing a dynamic paytable. However, this passage in Takashima merely states that a gaming system should sum up the data to calculate and pay a bet to the player. This passage does not teach, describe, or suggest that a dynamic paytable, which is modified during a game session, as recited in Applicant's claims.

Therefore, Takashima does not teach the steps recited in independent claims 1 and 20 nor the gaming system of independent claims 16 and 34.

Attorney Docket No.: SDG 004.02

## B. Obviousness Rejections (35 U.S.C. § 103)

The Examiner also rejected claims 13, 19, 31, and 37 under 35 U.S.C. §103(a) as being unpatentable over Takashima and claims 8-9, 11-12, 26-27, and 29-30 as being unpatentable over Takashima in view of U.S. Patent No. 5,829,750 to Booker (hereinafter referred to as "Booker"). Applicant respectfully disagrees.

As stated in §2143 of the MPEP:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some <u>suggestion</u> or <u>motivation</u>, either in the reference themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a <u>reasonable expectation of success</u>. Finally, the prior art references (or references when combined) <u>must teach or suggest all the claim limitations</u>.

The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in the applicant's disclosure. §2143, MPEP Rev. 2.0, May 2004, pg. 2100-129.

At the outset, as discussed previously, in view of the shortcomings of Takashima to disclose the elements of Applicant's independent claims 1, 16, 20 and 34, it remains Applicant's position that merely adding Booker 's teaching does not cure the deficiencies of these references to arrive at Applicant's claims.

Moreover, all dependent claims each include, by way of their dependencies, inter alia, all the limitations of the independent parent claims, in this case, claims 1,

Attorney Docket No.: SDG 004.02

16, 20 and 34. Therefore, claims 13, 19, 31, and 37 are also patentable over

Takashima and claims 8-9, 11-12, 26-27, and 29-30 are patentable over Takashima

and Booker because their independent claims are not anticipated by Takashima nor

rendered unpatentable by Takashima, either alone or in combination with any other

reference.

C. Conclusion

In view of all of the foregoing, claims 1-37 overcome the prior art rejections

and are now patentably distinct and in condition for allowance, which action is

respectfully requested.

Respectfully Submitted,

Dated: \( \sqrt{ULY} 24, 2007 \)

Michael A. Kerr Patent Attorney

Reg. No. 42,722

Michael A. Kerr VIRTUAL LEGAL, P.C. 3476 Executive Pointe Way #16

Carson City, NV 89706

Tel: (775) 841-3388

Fax: (775) 841-3389